

REMARKS

It is desired to thank the Examiner for the very detailed extensive and most helpful Official Action. The Examiner indicated that claims 1-9, 37-50, 88-94, 111, 134-142, 152-163, 164-170, 171-177 and 194 would all be allowable if certain language adjustments were made to comply with §112 and/or if applicants submitted a terminal disclaimer over U.S. Patent No. 6,954,741 which is commonly owned with the instant application. The Examiner had issued a double patenting obviousness rejection against some of the claims while others were only objected to on formal grounds. The Examiner combined the '741 patent with references by Pryor, Attrino and Zeng.

All of the claims in the application have been cancelled in favor of new claims 218-337. These claims have been drafted to cover the subject matter of the "allowable" claims referred to above.

While applicants disagree that any of the claims now submitted for reconsideration, i.e., claims 218-317, require the filing of a terminal disclaimer, applicants would be prepared to file such a terminal disclaimer upon an indication by the Examiner that claims 218-337 are allowable subject to the filing of the same. Applicants have filed a divisional application for the subject matter of claim 217, so this claim has been cancelled to expedite allowance of this application.

While all of the claims that the Examiner has indicated as containing allowable subject matter have been retained there have been some slight wording revisions which applicants believe more clearly and succinctly define the instant invention. It is therefore believed that it will assist the Examiner in confirming the allowable nature of claims 218-

337 if applicants summarize the groups of claims and discuss the three publications cited by the Examiner.

Claims 218-229 are method claims. These claims are drawn to an automated method capable of multiple rounds for settling a dispute among adverse parties which dispute involves monetary values which are submitted by the adverse parties. Main claim 218 comprises the steps of receiving an engagement request from a first entity to engage an automated dispute resolution system, for a claim, and to be bound by a resolution of the claim transmitted from the automated dispute resolution system;

receiving an engagement indication from a second entity, adverse to the first entity with respect to the claim, to engage the automated dispute resolution system for the claim;

encouraging at least one of the first entity or the second entities with a facilitator communication;

receiving at least one monetary demand and a power round demand from the first entity;

receiving at least one settlement offer from the second entity;

maintaining inaccessibility of the monetary demands from the second party and maintaining inaccessibility of the settlement offers from the first entity;

comparing the first demand with the first settlement offer in a first round to determine if a first difference between the first monetary demand and the first settlement offer is within a predetermined guideline;

if, in the first round, the first difference is within the predetermined guideline, transmitting a successful dispute resolution notification to the first entity and the second entity;

if, in the first round, the first difference is not within the predetermined guideline, the method permits the parties to engage in at least one subsequent round by submitting, if necessary, at least one demand or settlement offer after the first round has been completed, to determine if a second difference between the second monetary demand and the second settlement offer is within the predetermined guideline;

if, in the second round, the second difference is within the predetermined guideline, transmitting a successful dispute resolution notification to the first entity and the second entity;

if, in the second round, the second difference is not within the predetermined guideline, initiating a third round as a power round by comparing the power round demand of the series monetary demands with one settlement offer, from the series of at least two settlement offers, to determine if a power round difference between the power round demand and the settlement offer is within a predetermined power round guideline;

if, in the power round, the power round difference is within the predetermined power round guideline, transmitting a successful dispute resolution notification to the first entity and the second entity;

if in any round, the successful dispute resolution notification is transmitted: calculating a settlement payment of a specified value to be paid to the first entity to settle the case;

transmitting notification to the first entity of the settlement payment;

transmitting an offer to select from a plurality of disbursement options to the first entity;

offering the plurality of disbursement options for the settlement payment; and having the first entity select one from among the plurality of the disbursement options for the settlement payment. Claims 219-229 depend from claim 218 and cover various embodiments of the instant invention. For example, claim 219 specifies that at least two monetary demands are submitted before the first round. Claim 220 specifies that at least two settlement offers are submitted before the first round. Claim 221 depends from claim 219 and thus specifies the situation in which at least two monetary demands as well as at least settlement offers are submitted before the first round. The remaining dependent claims are believed to be clear on their face and applicants do not propose to burden the record with a complete description with each and every one of the dependent claims. The above was intended to be illustrative of claim 218 and the claims dependent therefrom.

Claims 230 to 247 are drawn to an automated method capable of multiple rounds for settling a dispute among adverse parties involving monetary values submitted by adverse parties. The method as set forth in claim 230 specifies evaluating a plurality of paired values for a claim in a plurality of rounds;

determining that none of the plurality of paired values when evaluated round by round satisfies at least one settlement criterion;

performing a power round evaluation of values, one of the values having been submitted by a first entity with respect to the claim and another of the values having been submitted by a second entity, adverse to the first entity with respect to the claim;

communicating a settlement message if the power round evaluation indicates that at least one power round settlement is satisfied;

calculating a settlement amount of a specified value to be paid to whoever among the first or the second entity is to be paid to settle the case;

transmitting notification of the settlement payment;

transmitting an offer to select from a plurality of disbursement options to the entity to be paid; and

having the entity to be paid select one from among the plurality of the disbursement options for the settlement payment.

Claims 231 through 233 depend from claim 230 and cover further embodiments of the invention including asking the entity to be paid for a specific instructions for the disbursement and automatically generating documents containing disbursement information as well as automatically initiating the settlement to the entity to be paid in accordance with the selected disbursement option.

Claim 234 and 235 specify various disbursement options. Claim 236 includes the step of receiving an agreement from a party to perform the power round evaluation. Claim 237 includes the step of determining that the power round evaluation value should occur based upon a system parameter. Claim 238 includes the step of identifying a first engaging party. Claim 239 includes determining the power round evaluation of values occurs by analyzing a differential in at least one pair of the plurality of paired values against at least another of the plurality of paired values.

Claim 240 specifies the step of determining the power round evaluation of values occurs based upon a relationship between at least one pair of the plurality of paired values and achieved settlements.

Claim 241 specifies that the method comprises receiving an agreement from a party to an adjustment from a normal payment amount in return for performing the power round evaluation. Claim 242 specifies that the step of performing the power round evaluation includes determining that the two values satisfy at least one power round settlement criterion. Claim 243 specifies that the at least one power round settlement criterion is the at least one settlement criterion. Claim 244 specifies that the at least one power round settlement criterion differs from the at least one settlement criterion. Claim 245 specifies that performing the power round evaluation includes determining whether any of the plurality of the paired values satisfies at least one power round settlement criterion. Claim 246 specifies aggregating a plurality of submissions into a group value and using the group value as one of the values in a pair. Claim 247 depends from claim 246 and specifies that the at least one power round settlement criteria and the at least one settlement criterion differ.

Claims 248 through 262 are claims drawn to an automated settlement method capable of multiple rounds. According to claim 248 the steps comprise receiving a claim submitted by an initiator for a dispute resolution negotiation;

thereafter, receiving a monetary demand from the initiator and a monetary settlement offer from a second entity, adverse to the initiator for the claim, the monetary demand and the offer differing from each other by a differential amount;

comparing the differential amount against a predetermined settlement criterion; determining that the predetermined settlement criterion is satisfied by the differential amount;

calculating a settlement payment using the first demand such that the initiator receives a windfall benefit;

informing the initiator and the second entity of the settlement payment;

calculating a settlement payment of a specified value to be paid to whoever among the initiator and the second entity is the entity to be paid to settle the case;

transmitting notification of the settlement payment;

transmitting an offer to select from a plurality of disbursement options to the entity to be paid; and having the entity to be paid select one from among the plurality of the disbursement options for the settlement payment.

Claims 249 to 261 depend from claim 248 and specify that the method includes asking the entity to be paid for disbursement specific information, automatically initiating the settlement payment to the entity to be paid in accordance with the selected disbursement option and automatically generating documents containing disbursement specific information. Claims 252 and 253 depend from claim 248 and specify various disbursement options. Claim 254 depends from claim 248 and specifies that if the first value from the initiator is less than the first value from the second entity and the settlement payment will be paid from the second entity to the initiator, establishing the settlement payment at a greater amount than a normal payment amount. Claim 255 depends from claim 254 and specifies that the normal payment amount is between the first values.

Claims 257 through 261 cover further more specific embodiments of the present method.

Claims 262 through 268 are drawn to a dispute resolution method capable of multiple rounds for resolving a claim among adverse parties. Claim 262 specifies the method as comprising testing non-equal values, submitted by the adverse parties for the claim, for satisfaction of a condition;

calculating a binding settlement payment, when the condition is satisfied by the non-equal values, the binding settlement payment incorporating a windfall adjustment when one of the parties is a dispute entry initiator for the claim in an amount at least equal to a lowest of the non-equal values adjusted by either a positive or negative windfall differential amount;

transmitting notification of the binding settlement payment;

transmitting an offer to select from the plurality of disbursement options to the adverse party to be paid; and

having the adverse party to be paid select one from among the plurality of disbursement options for the binding settlement payment

Claims 263 through 265 depend from 262 and specify the steps of asking the diverse party to be paid for disbursement specific information, automatedly generating documents containing disbursement specific information and automatedly initiating binding settlement payment to the adverse party to be paid in accord with the selected disbursement option.

Claim 266 depends from claim 262 and specifies that the method further comprises: accepting a datastream from a disbursement structuring entity which provides the plurality of disbursement options for the binding settlement payment.

Claims 267 and 268 each depend from claim 262 and specify disbursement options.

Claims 269 through 275 are drawn to a method of automated on-line dispute resolution. Claim 269 specifies the steps of maintaining an interface to the internet through which a claimant can submit demands for a claim to a dispute resolution system and receive indications therefrom such that, when the claimant submits multiple demands via the interface to the dispute resolution system and the dispute resolution system pairs the multiple demands with offers of settlement for the claim on a one-to-one basis, a comparison will be performed in accordance with at least one criterion and if the at least one criterion is satisfied and the claimant is an initiator for the claim in the system, the claimant will be provided, via the interface, with either an indication that the at least one criterion is satisfied and a settlement payment amount which reflects a higher amount relative to a normal payment amount, because the claimant is the initiator;

the on-line dispute resolution method further comprises the steps of transmitting notification of the settlement payment;

transmitting an offer to select from a plurality of disbursement options to the claimant; and

having the claimant select one from among the plurality of the disbursement options for the settlement payment.

Claim 270 depends from claim 269 and specifies that if the resolution of the dispute is achieved the method further comprises automatically generating documents. Claim 271 depends from claim 269 and further comprises asking the claimant for disbursement specific information.

Claim 272 depends from claim 269 and specifies that the method further comprises automatically initiating the settlement payment to the claimant in accord with the selected disbursement options.

Claims 273 and 274 depend from claim 269 and specify disbursement options.

Claims 275 through 284 are drawn to an automated system capable an automated system capable of multiple rounds which comprises an input connectable to an on-line interface for receipt of values therefrom;

an output;

a first value submitted on-line by a first entity via the input;

a second value submitted on line by a second entity, via the input; the first and second entities being adverse to each other with respect to a claim, the first value being inaccessible to the second entity, and the second value being inaccessible to the first entity, the first value and the second value being different in magnitude from each other;

memory connected to the input and configured to receive and temporarily store the values received from the input;

a processor connected to the memory; and

a computer executable program, the program being structured to, when executed by the processor, accept the pair of values from adverse entities and return a specified result indicator based upon the application of at least one predetermined criterion to a

mathematical comparison of the pair of values in a round by round manner and, when the result indicator indicates that the at least one predetermined criterion is not satisfied in the first round;

the program, when executed by the processor, being further structured to perform a power round analysis of a power round pair of values by applying at least one predetermined power round criterion to the power round pair of values and, when a power round result indicator indicates that the at least one predetermined power round criterion is satisfied, provide a power round payment value for the claim to at least one of the adverse entities via the output;

the program, when executed by the processor, being still further structured to:

transmit via the output notification of the settlement payment;

transmit an offer to select from a plurality of disbursement options to the adverse party to be paid; and

allow the adverse party to be paid to select via the input one from among the plurality of disbursement options for the settlement payment.

Claim 276 depends from claim 275 and specifies that the program when executed by the processor asks the adverse party to be paid for disbursement specific information.

Claim 277 depends from claim 275 and specifies that the program, when executed by the process, accepts via the input the data a datastream from a disbursement structuring entity that offers the plurality of disbursement options for the payment value.

Claim 278 depends from claim 275 and further comprises that the program, when executed by the processor, automatically generates documents containing disbursement

specific information. Claim 279 depends from claim 275 and specifies that the system further comprises the program, when executed by the processor, automatically initiates the settlement payment to the adverse party to be paid in accord with the selected disbursement options.

Claims 280 and 281 each depend from claim 275 and specify disbursement options.

Claim 282 depends from claim 275 and specifies that one of the power round pair of values is the same as one of the pair of values. Claim 283 depends from claim 275 and specifies that the at least one predetermined criterion and the at least one predetermined power round criterion are different.

Claim 284 depends from claim 275 and specifies that the at least one predetermined criterion and the at least one predetermined power round criterion are the same.

Claim 285 through 293 cover an automated system capable of multiple rounds comprising:

- at least one processor;

- an initiator indicator, settable when an entity first enters a dispute for resolution into the system to identify the entity as an initiator which, when set for the dispute, will cause a windfall adjustment calculation to be performed;

- a first value, submitted on line by a first entity;

- a second value submitted on line by a second entity, the first and second entities being adverse to each other with respect to a claim, the first value being inaccessible to

the second entity and the second value being inaccessible to the first entity, the first value and the second value being different in magnitude from each other; and

a proxy including an input, an output and a computer executable program, the program being structured to cause the processor to accept a pair of values from adverse entities via the input and return a result indicator to the proxy based upon the application of at least one predetermined criterion to a mathematical comparison of the pair of values, and to provide to at least one of the adverse entities, via the output when the result indicator indicates that the at least one predetermined criterion is satisfied:

i) a normal payment amount for the claim, when the initiator indicator is not set for either the first entity or the second entity, or

ii) a windfall benefit adjusted payment amount for the claim, when the initiator indicator is set for one of the first entity or second entity,.

the program, when executed by the processor, being further structured to:

transmit via the output notification of the settlement payment;

transmit an offer to select from a plurality of disbursement options to the adverse party to be paid; and

allow the adverse party to be paid to select via the first input one from among the plurality of the disbursement options for the settlement payment.

Claim 286 depends from claim 285 and specifies that the program, when executed by the processor, is structured to ask the adverse party to be paid for disbursement specific information.

Claim 287 depends from claim 285 and specifies that the program, when executed by the processor, is structured to accepted via the input a datastream from a disbursement structuring entity that offers the plurality of disbursement options for the payment value.

Claim 288 depends from claim 285 and specifies that the program, when executed by the processor, is structured to automatedly generate documents containing disbursement specific information.

Claim 289 depends from claim 285 and specifies that the program, when executed by the processor, is structured to automatedly initiate the settlement payment to the adverse party to be paid in accord with a selected disbursement option. Claims 290 and 291 each depend from claim 285 and specify disbursement options.

Claim 292 depends from claim 285 and specifies that the windfall adjusted amount for the pair of values is greater than the pair of values. Claim 293 depends from claim 285 and specifies that the windfall adjusted payment amount for the pair of values is less than the payment amount for the pair of values.

Claims 294 to 300 cover an automated claim dispute resolution system capable of multiple rounds comprising:

- a processor for evaluating demands and offers wherein

- at least one demand submitted by a claimant for a claim and at least one corresponding offer submitted by a second entity for the claim;

- at least one preselected criterion, agreed to by the claimant and the second entity, which will be applied, during analysis of the at least one demand and the at least one corresponding offer, to determine if there is a resolution for the claim;

a claim dispute resolution program constructed to, when executing on a programmed processor, cause an analysis of numbers in accordance with criterion and calculate claim settlement payments when the criterion are satisfied; and

a programmed processor executing the claim dispute resolution program, to analyze a demand and at least a corresponding offer in a round by round manner in accordance with the at least one preselected criterion and, when the at least one preselected criterion is satisfied, calculate a settlement payment of a specified value to be paid to the claimant to settle the claim and set a settlement initiation indicator thereby automatically initiating a payment to the claimant, the program, when executed by the processor, being further structured to:

transmit via the output notification of the settlement payment;

transmit an offer to select from a plurality of disbursement options to the claimant; and

allow the claimant to select via the first input one from among the plurality of the disbursement options for the settlement payment.

Claim 295 and 296 each depend from claim 294 and specify a plurality of disbursement options.

Claim 297 depends from claim 294 and specifies that the program, when executed by the processor, is structured to ask the claimant for disbursement specific information. Claim 298 depends from claim 294 and specifies that the program, when executed by the processor, is structured to accept via the input a datastream from a disbursement structuring entity that offers the plurality of disbursement options for the payment value. Claim 299 depends from claim 294 and specifies that the program, when executed by the

processor, is structured to automatically generate documents containing disbursement specific information. Claim 300 depends from claim 294 and specifies that the program, when executed by the processor, is structured to automatically initiate the settlement payment to the adverse party to be paid in accord with the selected disbursement option.

Claims 301 to 312 specify a system for automated dispute resolution capable of multiple rounds comprising:

- a processor for processing demands and offers;

- means for introducing to the processor means, via a communications linkage, information identifying a dispute, a series of demands to satisfy a claim made by or on behalf of a person involved in the dispute, and a series of offers to settle the claim by an entity adverse to the person for the claim;

- settable means for indicating whether or not to perform a power round comparison;

- a memory, accessible by the processor, for storing the information identifying the dispute, and for temporarily storing the series of demands to satisfy the claim and the series of offers to settle the claim, for use by the processor in a round by round manner, without disclosure of the series of demands to the adverse entity or series of offers to the person;

- settlement means for indicating, when set, settlements of disputes and calculating settlement values as a result thereof such that, when the settlement means is set for a round, the settlement means will calculate a settlement value equal to:

(a) a first amount, in accordance with a first preestablished formula, if the offer in the round is less than the demand and within a preestablished percentage of the demand in the round,

(b) the demand, if the offer in any round is the same as or greater than the demand, or

(c) a second amount in accordance with a second preestablished formula, if the offer is not within the preestablished condition in all rounds but the difference between a particular offer and a corresponding demand is less than a preestablished amount;

comparison means within the processor, for receiving and comparing demands and offers against each other on a round-by-round basis, in accordance with a preestablished condition, and a power round comparison only when the settleable means is set, in accordance with a power round condition, the comparison means setting the settlement means when either the preestablished condition or the power round condition is satisfied, the comparison means operating on the series of demands and series of offers until;

i) the settlement means is set, irrespective of whether the settleable means is set,

ii) all of the series of demands and series of offers have been exhausted and the settleable means is set, wherein the comparison means will perform a power round comparison of a power round demand with a power round offer against each other in accordance with a preestablished power round condition and set the settlement means to indicate a settlement if the power round condition is satisfied, or

iii) all of the series of demands and series of offers have been exhausted and either the settable means is not set or the power round condition is not satisfied, wherein the comparison means will set the settable means to indicate no settlement;

means for inhibiting a reuse of an unsuccessful demand, or unsuccessful offer, by the comparison means in any round that is not a power round; and

means for communicating a settlement result to the person and the entity;

if, in any round, the settlement means is set, means for offering via the communications linkage a settlement payment of a specified value to be paid to the person;

means for transmitting via the communication linkage notification of the settlement payment;

means for transmitting via the communication linkage an offer to select from a plurality of disbursement options to the person; and

means for having the person select one from among the plurality of the disbursement options for the settlement payment of a specified value.

Claim 302 depends from claim 301 and specifies that the system further comprises means for, when the settlement means is set, accepting a datastream from a disbursement structuring entity which provides the plurality of disbursement options for the settlement payment.

Claims 303 through 305 depend from claim 301 and specify embodiments already discussed above.

Claims 306 and 307 depend from claim 301 and specify disbursement options.

Claim 308 depends from claim 301 and specifies that the system further comprises facilitator means, constrained by a plurality of rules, for prompting, in accordance with the rules, at least one of the person or the entity prior to introducing one of the series of demands or series of offers into the processor means.

Claim 309 depends from claim 301 and specifies that the system further comprises means for determining whether one of the person or the entity is an initiator. Claim 310 depends from claim 301 and specifies that the system further comprises means for adjusting the first amount, the demand and the second amount by a windfall differential when one of the person or the entity is the initiator. Claim 311 depends from claim 301 and specifies that the system further comprises means for on-line initiation of a transfer of the settlement value in accordance with a preference indicated by one of the person or the entity. Claim 312 depends from claim 301 and specifies that the system further comprises means for generating on-line a settlement document including at least some of the dispute identifying information.

Claims 313 through 319 are drawn to an automated system for dispute resolution comprising:

processor means for processing demands and offers;

means for introducing to the processor means, via a communications linkage, information identifying a dispute, a series of demands to satisfy a claim made by or on behalf of a person involved in the dispute, and a series of offers to settle the claim by an entity adverse to the person for the claim;

memory means, accessible by the processor means, for storing the information identifying the dispute, and for temporarily storing the series of demands to satisfy the

claim and the series of offers to settle the claim, for use by the processor means in a series of rounds, without disclosure of the series of demands to the adverse entity or series of offers to the person;

settlement means for indicating, when set, settlements of disputes and calculating settlement values as a result thereof;

facilitator means, constrained by a plurality of rules, for prompting, in accordance with the rules, at least one of the person or the entity prior to introducing one of the series of demands or series of offers into the processor means using non-revealing statements;

comparison means within the processor means, for receiving and comparing demands and offers against each other on a round-by-round basis, in accordance with a preestablished condition and for setting the settlement means when the preestablished condition is satisfied;

means for inhibiting a reuse of an unsuccessful demand, or unsuccessful offer, by the comparison means in any round that is not a power round;

means for communicating a settlement result to the person and the entity;

if, any round, the settlement means is set, means for offering via the communications linkage a settlement payment of a specified value to be paid to the person;

means for transmitting via the communication linkage notification of the settlement payment together;

means for transmitting via the communication linkage an offer to select from a plurality of disbursement options to the person; and

means for having the person select one from among the plurality of the disbursement options for the settlement payment of a specified value.

Claim 314 depends from claim 313 and specifies that the system further comprises means for, when the settlement means is set, accepting a datastream from a disbursement structuring entity which provides the plurality of disbursement for the settlement payment. Claim 315 depends from claim 313 and specifies that the system further comprises means for asking the person for disbursement specific information. Claim 316 depends from claim 313 and specifies that the system further comprises means for automatically generating documents containing disbursement specific information. Claim 317 depends from claim 313 and specifies that the system further comprises means for automatically initiating the settlement payment in accord with the selected disbursement option. Claims 318 and 319 each depend from claim 313 and specify disbursement options.

Claims 320 through 326 are drawn to an automated system for dispute resolution comprising:

processor means for processing demands and offers;

means for introducing to the processor means, via a communications linkage, information identifying a dispute, a series of demands to satisfy a claim made by or on behalf of a person involved in the dispute, and a series of offers to settle the claim by an entity adverse to the person for the claim;

initiator means for indicating, when set, that there is an initiator of entry of the dispute into the system and for identifying the initiator;

memory means, accessible by the processor means, for storing the information identifying the dispute, and for temporarily storing the series of demands to satisfy the claim and the series of offers to settle the claim, for use by the processor means in a series of rounds, without disclosure of the series of demands to the adverse entity or series of offers to the person;

settlement means for indicating, when set, settlements of disputes;

means for calculating a windfall adjusted settlement value when both the settlement means and the initiator means are set, and for calculating normal payment values when the settlement means is set and the initiator means is not set;

comparison means within the processor means, for receiving and comparing demands and offers against each other on a round-by-round basis, in accordance with a preestablished condition and for setting the settlement means when the preestablished condition is satisfied;

means for inhibiting a reuse of an unsuccessful demand, or unsuccessful offer, by the comparison means in any round that is not a power round; and

means for communicating a settlement result to the person and the entity;

if, in any round, the settlement means is set, means for offering via the communication linkage a settlement payment of a specified value to be paid to the person;

means for transmitting via the communication linkage an offer to select from a plurality of disbursement options to the person; and

means for having the person select one from among the plurality of the disbursement options for the settlement payment of a specified value.

Claim 321 depends from claim 320 and specifies that the system further comprises means for, when the settlement means is set, accepting a datastream stream from a disbursement structuring entity which provides the plurality of disbursement options for the settlement payment.

Claim 322 depends from claim 320 and specifies that the system further comprises means for asking the person for disbursement specific information.

Claim 323 depends from claim 320 and specifies that the system further comprises means for automatically generating documents containing disbursement specific information. Claim 324 depends from claim 320 and specifies that the system further comprises means for automatically initiating the settlement payment to the person in accord with the selected disbursement option.

Claims 325 and 326 each depend from claim 320 and specify disbursement options.

Claims 327 through 337 are drawn to a method capable of multiple rounds for settling a dispute between adverse parties, the method comprising;

a first step for analyzing, using automation, pairs of values in normal rounds according to a first criterion, each of the pairs of values including one value provided by a first party and another value provided by a second party adverse to the first party with respect to a claim, the values in each pair of values differing in magnitude from each other;

a second step for determining if the first criterion is satisfied in a round;

a third step for, when the first criterion is not satisfied, determining if a power round analysis is necessary;

a fourth step for, when the power round analysis is necessary, analyzing a pair of values in accordance with a power round criterion;

a fifth step for, when either the first criterion is satisfied, or the first criterion is not satisfied but the power round criterion is satisfied, generating a payment to be made on the claim;

a sixth step for transmitting notification of the payment;

a seventh step for transmitting an offer to select from a plurality of disbursement options to the adverse party to be paid; and

an eighth step for allowing the adverse party to be paid to select one from among the plurality of the disbursement options for the payment.

Claim 328 depends from claim 327 and further specifies a step for accepting a datastream from a disbursement structuring entity which provides the plurality of disbursement options for the payment. Claim 329 depends from claim 327 and further specifies a step for asking the adverse party to be paid for disbursement specific information. Claim 330 depends from claim 327 and further comprises a step automatically generating documents containing disbursement specific information. Claim 331 depends from claim 327 and further specifies a step for automatically initiating the payment to the adverse party to be paid in accordance with the selected disbursement option.

Claims 332 and 333 each depend from claim 327 and specify disbursement options.

Claim 334 depends from claim 327 and further specifies a step for constructing a claim specific facilitating message, for communication to the at least one of the first and

second parties, that does not reveal a value provided by the first party to the second party and vice-versa. Claim 335 depends from claim 327 further specifies a step for adjusting the payment to provide a windfall benefit to either the first party, when that party is the initiator for the claim, or to the second party when that party is the initiator for the claim. Claim 336 depends from claim 327 and further specifies the step of initiating an on-line transfer of funds equal to the payment from whichever of the first or second party is a second entity for the claim to whichever of the first or second party is a claimant for the claim. Claim 337 depends from claim 327 and specifies a step for on-line generation of documents including an identification of the claim, whichever of the first or second party is a claimant for the claim and the payment.

U.S. Patent No. 6,954,741 ('741) is applicant's own basic patent dealing with an automated method of settling a dispute among adverse parties which involves monetary values. The claims as above discussed provide novel and non-obvious improvements on such method and therefore deserve patentability in their own right.

The three references as cited by the Examiner, Pryor, Attrino and Zeng are totally unrelated to an automated method of dispute resolution. The Pryor reference describes no more than replacing lump sum tort payments with structured payouts over time. Payout options *per se* may not necessarily be novel in the abstract but as applied to applicant's automated dispute resolution system they are indeed novel and non-obviousness as no one has ever conceived of the fundamental automated system of applicant's nor has anyone suggested that such a system could include automated payout options.

The Attrino reference is similar. It discusses a checkbook option which gives an insurance company control over the investment of its settlement amount over time instead of providing the claimant with a single lump sum payment.

The Zeng reference again adds nothing to the previous two references. Zeng is concerned with double-offer arbitration. Under the Zeng proposal each disputant makes double offers, a primary offer and a secondary offer for settlement. If the offers of the two disputants do not converge the arbitrator (not an automated system) evaluates the two double-offers by a criterion function and then adopts the primary offer of the disputant with a better criterion value. The method and system covered by new claims 218-337 does not include this human factor. Instead, it is a method and a system which is capable of matching demands and offers on a round by round basis. Settlement could occur in the first round, the second round, the third round or a subsequent round. A power round could be applied. The criteria of the power round could be the same or different than the criterion applied in any of the preceding rounds. Thus, the automated method and system of the present invention is totally unrelated to human conducted arbitration whether it is of the double-offer variety or the single offer or final offer arbitration which is also frequently engaged in now.

The Examiner is therefore respectfully requested to review new claims 218 to 337 and it is believed that he will find that these claims are drawn to the subject matter which he had indicated was allowable or was allowable subject to the filing of a terminal disclaimer with respect to the '741. Based on the foregoing, it is believed that this case is in *prima facie* condition for allowance and with the cancellation of claim 217 there should be no issues remaining except for the potential filing of a terminal disclaimer if

the Examiner remains of the view that it is necessary. The subject matter of claim 217 as indicated above has already been covered in a divisional application since that claim was subject to election and restriction in the Examiner's Action. Favorable action on reconsideration is respectfully requested.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Richard E. Kurtz, II". The signature is fluid and cursive, with the last name "Kurtz" being particularly prominent.

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